

MEMORANDUM

TO: County Council

FROM: Michael Faden, Senior Legislative Attorney

SUBJECT: **Introduction:** Bill 10-07, Impact Taxes - Amendments

Bill 10-07, Impact Taxes - Amendments, sponsored by the Council President at the request of the Planning Board, is scheduled to be introduced on May 24, 2007. A public hearing is tentatively scheduled for June 19 at 7:30 p.m., for this and related items, including the revised County Growth Policy.

Bill 10-07 would update certain references and terminology in the County transportation impact tax law, and increase the rates of the School Facilities Payment that is charged to allow residential development to proceed when a school cluster's capacity is inadequate under the Growth Policy.

This packet contains:
Bill 10-07

Circle #
1

Bill No. 10-07
Concerning: Impact Taxes
Amendments
Revised: 5-23-07 Draft No. 2
Introduced: May 24, 2007
Expires: November 24, 2008
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: _____

AN ACT to:

- (1) update and modify certain provisions of the development impact taxes for transportation and school improvements, including the provisions for a School Facilities Payment;
- (2) revise the rates of the School Facilities Payment; and
- (3) generally amend the County impact tax laws.

By amending

Montgomery County Code
Chapter 52, Taxation
Sections 52-47, 52-48, and 52-94

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

Sec. 1. Sections 52-47, 52-48, and 52-94 are amended as follows:

52-47. Definitions.

In this Article the following terms have the following meanings:

Adequate Public Facilities Ordinance (APFO) means Section 50-35(k).

Adequate Public Facilities Ordinance [staging ceiling] policy area transportation adequacy standards means standards by which the area-wide adequacy of transportation facilities serving a proposed development are judged. APFO [staging ceiling] policy area transportation adequacy standards do not include requirements for other on-site or off-site transportation improvements that may be separately required or standards relating to local area review which may be independently required.

* * *

[*Bioscience facility* means any biological research and development or manufacturing facility that substantially involves research, development or manufacturing of:

(1) biologically active molecules,

(2) devices that employ or affect biological processes,

(3) devices and software for production or management of specific biological information, or

(4) products or materials that purify or handle biologically active products;]

* * *

[*Staging ceiling* means the maximum amount of land development that can be accommodated in a planning policy area consistent with APFO staging ceiling standards given the programmed transportation facilities.]

52-48. Findings; purpose and intent.

* * *

- (g) The County retains the power to determine the impact transportation improvements to be funded by development impact taxes; to estimate the cost of such improvements; to establish the proper timing of construction of the improvements so as to meet APFO [staging ceiling] policy area transportation adequacy standards where they apply; to determine when changes, if any, may be necessary in the County CIP; and to do all things necessary and proper to effectuate the purpose and intent of this Article.

* * *

52-94. School Facilities Payment.

- (a) In addition to the tax due under this Article, an applicant for a building permit for any building on which a tax is imposed under this Article must pay to the Department of Finance a School Facilities Payment if that building was included in a preliminary plan of subdivision that was approved under the School Facilities Payment provisions in the [Annual] County Growth Policy.
- (b) The amount of the Payment for each building must be calculated by multiplying the Payment rate by the latest per-unit student yield ratio for [that] any level of school found to be inadequate for the purposes of imposing the School Facilities Payment in the applicable Growth Policy and for that type of dwelling unit and geographic area issued by MCPS.
- (c) The Payment rate is [\$12,500 per student] \$32,524 per elementary school student, \$42,351 per middle school student, and \$47,501 per high school student, unless modified by Council resolution. The Council by resolution, after a public hearing advertised at least 15 days in advance, may increase or decrease the Payment rate or set different rates for different types of housing unit.

* * *

Approved:

Marilyn J. Praisner, President, County Council

Date

Approved:

Isiah Leggett, County Executive

Date

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Date